

FIRST NATIONS DEVELOPMENT INSTITUTE

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Statement of Rebecca Adamson

President, First Nations Development Institute

presented by Jerry Reynolds, Associate Director

before the Senate Committee on Indian Affairs

Hearings on Senate Bills 1587 & 1589

September 22, 1999

Honorable Ben Nighthorse Campbell, Chairman

On behalf of First Nations Development Institute and our President, Rebecca Adamson, I want to express our appreciation for the opportunity to testify at these vital hearings. Ms. Adamson particularly regrets that prior commitments kept her from appearing here in person, but she has asked me to emphasize her eagerness to continue participating in these proceedings as they move forward.

First Nations has worked diligently on trust funds issues for 15 years, first through a special project with the Saginaw Chippewa Tribe and others in 1984, and since then through our policy activities, our grantmaking, and our publications. We have consistently demanded accountability for Interior's well-documented mismanagement of Indian trust fund assets, and we have stated time and again that the government's fiduciary responsibility toward Indian beneficiaries is not being met.

In October 1994, thanks to the tireless efforts of ourselves and our colleagues – as well as yours in the Senate – the American Indian Trust Funds Management Reform Act became law, incorporating many of the reform initiatives put forward by First Nations over the course of 10 years. Since then, some small progress has been made in bringing order to the condemned structure of the trust accounts records, and we can be grateful for it. Some tribes have options now for managing their trust funds that they've never had before, and for this too we must show a proper respect.

On the whole, however, the record since 1994 suggests that reform cannot succeed in the current atmosphere of negativity, blame-shifting, and apparent political gamesmanship. As this goes on, here the Indian trust funds beneficiaries sit, stranded between dusting off a Strategic Plan that First Nations and virtually every tribe found heavily flawed, or rallying behind a High Level Implementation Plan of Interior's which the General Accounting Office has dismantled in a detailed critique.

Indian beneficiaries deserve better choices. First Nations is here to offer you our support in providing one. Senate Bills 1587 and 1589 would enforce the internal conditions and establish the institutional structure, respectively, that will make it possible to settle the trust accounts and manage them properly in the future. Further, the "blue ribbon" approach they contemplate is politically realistic.

Above all, this is the most level-headed proposal we have seen for removing the cause of trust funds mismanagement, the Interior Department and its antiquated systems, from the process of fixing the problems, a relationship that would be frowned upon, and indeed disallowed, in any other corporate restructuring. We are confident that barring a specific choice by a specific tribe, trust accounts will continue in trust status, whatever the ultimate findings of your proposed Commission.

In brief, Senator, for all the reasons that you reviewed in introducing these bills, as well as for many other reasons that have been the subject of spirited testimony in these chambers, we urge you to stay the course with these bills, and to call on First Nations for any information we can provide. Thank you.